

Bobby Jindal
GOVERNOR



Bruce D. Greenstein
SECRETARY

State of Louisiana
Department of Health and Hospitals
Bureau of Health Services Financing

October 24, 2011

RE: Revised Medicaid Hospital Cost Report Instructions Effective Upon Implementation of Medicaid Managed Care

Dear Administrator:

After implementation of Medicaid Managed Care early in calendar year 2012, DHH's objective is to continue collecting all Medicaid hospital program services and costs through the annual cost report uniformly, whether the service is covered by traditional Medicaid fee for service, a Shared Savings Plan, or a Prepaid Plan. Complete and consistent calculation of all Medicaid costs will aid in determination of any cost settlements required of Prepaid Health Plans and in Medicaid disproportionate share hospital payment and limit determinations.

Instructions for cost report preparation and submission are as follows:

I. General Cost Report Information Required:

- Working Trial Balance (Cost Center order if available)
- Hospital Contact Information, a minimum to include contact name, contact title, contact telephone number and contact email address.

II. Traditional and Shared Savings Plan Medicaid Members:

- Electronic cost report data file (ECR File) with Medicaid Traditional patients included as Title XIX statistics
- PDF Copy of the Cost Report (Hard Copy if PDF not available)

Hospital Inpatient Acute and Outpatient:

- Copy of Medicaid Inpatient and Outpatient Revenue Code Crosswalks
- Separate identification of inpatient and outpatient interim payments
- If any inpatient carve out units apply, the ECR file Title XIX WS D-3 should include hospital inpatient charges EXCLUDING charges related to any carve outs (non-carve out acute only).
- For small rural hospitals qualifying for 110% outpatient cost reimbursement, copy of logs or claim listing to support "shadow claims" not paid on ASC and Rehab patient fee schedule claims.
- Note: For hospitals with Medicare approved distinct part Rehab Sub-providers, cost and statistics should be combined in the hospital Adult and Pediatric cost center for the Medicaid cost report file.

Distinct Part Psychiatric, Neonatal Intensive Care Unit (NICU), Pediatric Intensive Care Unit (PICU) and Burn Units

- A separate Worksheet S-3, D-1, and D-3 for each unit to separately identify program costs, charges,

October 24, 2011

Page 2

and statistics associated with each specialty unit.

- Copy of Medicaid Inpatient Carve out Revenue Code Crosswalks

Transplant Carve outs

- A separate Worksheet S-3, D-1, D-3, and D-4 for each transplant unit to separately identify program costs, charges, and statistics associated with each transplant unit.
- A detailed log of Medicaid patients for each Transplant Unit which correlates with the filed cost report and includes the following data elements: patient name, dates of service, number of patient days, number of discharges, room, ancillary and acquisition charges.
- Copy of Medicaid Inpatient Transplant Revenue Code Crosswalks

Provider-Based Rural Health Clinic units:

- Completed M Series Worksheets for EACH hospital based rural health clinic. Note: A Medicare combined clinic cost center is not acceptable for the Medicaid cost report submission

III. Prepaid Plan Medicaid Members:

General -Providers EXCLUDING Teaching, Transplant, or Children's Hospital Providers

- A separate Worksheet S-3, D-1, D-3 and D part V for each CCN (as applicable) to separately identify program costs, charges, and statistics associated with inpatient and outpatient managed care services. Note: Inpatient services related to hospital acute, NICU, PICU and Burn units can be combined on one D-1, D-3 series.
- For Providers with provider-based rural health clinics - completed M Series Worksheets for EACH hospital based rural health clinic. Note: A Medicare combined clinic cost center is not acceptable for the Medicaid cost report submission
- Copy of Managed Care Outpatient Revenue Code Crosswalks

Teaching Providers

- An electronic cost report file (ECR) file that identifies total cost EXCLUDING graduate medical education cost (as with the Medicare filed cost report, GME cost should be excluded from cost on WS B part I prior to the calculation of the cost/day and cost/charge ratios.)
- A separate Worksheet S-3, D-1, D-3 and D part V for each CCN (as applicable) to separately identify program costs, charges, and statistics associated with inpatient and outpatient managed care services. Note: Inpatient services related to hospital acute, NICU, PICU and Burn units can be combined on one D-1, D-3 series.
- For Providers with provider-based rural health clinics - completed M Series Worksheets for EACH hospital based rural health clinic. Note: A Medicare combined clinic cost center is not acceptable for the Medicaid cost report submission
- Copy of Prepaid Plan Inpatient and Outpatient Revenue Code Crosswalks

Transplant Carve outs**

- A separate Worksheet S-3, D-1, D-3, and D-4 for each transplant unit to separately identify program costs, charges, and statistics associated with each transplant unit.
- A detailed log of Medicaid patients for each Transplant Unit which include the following data elements: patient name, dates of service, number of patient days, number of discharges, room, ancillary and acquisition charges.
- Copy of Medicaid Inpatient Transplant Revenue Code Crosswalks

October 24, 2011

Page 3

Children's Hospital Provider**

- Electronic cost report data file (ECR File) with Prepaid Health Plan patients included as Title XIX statistics
- Copy of Medicaid Inpatient and Outpatient Managed Care Revenue Code Crosswalks
- Separate identification of inpatient and outpatient interim payments
- If any inpatient carve out units apply, the ECR file Title XIX Managed Care WS D-3 should include hospital inpatient charges EXCLUDING charges related to any carve outs (non-carve out acute only).
- Neonatal Intensive Care Unit (NICU), Pediatric Intensive Care Unit (PICU) or Burn unit- A separate Worksheet S-3, D-1, and D-3 for each unit to separately identify program costs, charges, and statistics associated with each specialty unit.

**** Note:** For Transplant carve out or Children's Hospital with Prepaid Health Plan arrangements that define reimbursement on a fixed rate basis (non cost-based reimbursement basis), only items in the General (Item 1) section would apply.


As a reminder, the Louisiana Medicaid Program tracks Medicare requirements for timely filing of cost reports. In accordance with the Medicare filing deadlines, all Louisiana hospitals enrolled in the Title XIX Medical Assistance (Medicaid) Program must submit a copy of their annual cost report to:

Cypress Audit Team, LLC
Attention: Ms. Priscilla Smith
5555 Hilton Avenue, Suite 605
Baton Rouge, Louisiana 70808

For the three Prepaid Health Plans, DHH has instructed the Cypress Audit Team to analyze the cost settlements amount and advise the Health Plan of the interim amount due or to be collected from the hospital. The Health Plan will use the same methodology as DHH (timeframes, \$, % of interim settlement). Note that DHH is providing this information to the Health Plans to ensure consistency with our settlement calculations and DHH is not responsible for payment of any cost settlement due to hospitals for patient days of Prepaid Health Plan members.

Please direct questions regarding these instructions and any other audit issues to either Priscilla Smith at (225) 218-6242 or Derek Stafford at (225) 342-3927.

Sincerely,



Don Gregory
Medicaid Director

c: John Matessino
Linda Welch
Paul Salles
Ruth Kennedy
Priscilla Smith
Patrice LeBlanc